

104TH CONGRESS
1ST SESSION

S. 920

To assist in the preservation of rail infrastructure, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 14 (legislative day, JUNE 5), 1995

Mr. PRESSLER introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To assist in the preservation of rail infrastructure, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Rail Infrastructure
5 Preservation Act of 1995”.

6 **SEC. 2. LOCAL RAIL FREIGHT ASSISTANCE; AUTHORIZA-**
7 **TION OF APPROPRIATIONS.**

8 Section 22108 of title 49, United States Code, is
9 amended—

10 (1) by striking out so much of subsection (a) as
11 precedes paragraph (2) and inserting the following:

1 “(a) IN GENERAL.—(1) There is authorized to be ap-
 2 propriated to the Secretary of Transportation to carry out
 3 this chapter the sum of \$25,000,000 for the fiscal year
 4 ending September 30, 1996, and for each subsequent fis-
 5 cal year.”; and

6 (2) by striking subsection (a)(3).

7 **SEC. 3. DISASTER FUNDING FOR RAILROADS.**

8 Section 22101 of title 49, United States Code, is
 9 amended by redesignating subsection (d) as (e), and by
 10 inserting after subsection (c) the following:

11 “(d) DISASTER FUNDING FOR RAILROADS.—

12 “(1) The Secretary may declare that a disaster
 13 has occurred and that it is necessary to repair and
 14 rebuild rail lines damaged as a result of such disas-
 15 ter. If the Secretary makes the declaration under
 16 this paragraph, the Secretary may—

17 “(A) waive the requirements of this sec-
 18 tion; and

19 “(B) prescribe the form and time for appli-
 20 cations for assistance made available herein.

21 “(2) The Secretary may not provide assistance
 22 under this subsection unless emergency disaster re-
 23 lief funds are appropriated for that purpose.

24 “(3) Funds provided for under this subsection
 25 shall remain available until extended.”.

1 **SEC. 4. DECLARATION OF POLICY.**

2 Section 101(a) of the Railroad Revitalization and
3 Regulatory Reform Act of 1976 (45 U.S.C. 801(a)(4)) is
4 amended to read as follows:

5 “(4) continuation of service on, or preservation
6 of, light density lines that are necessary to continued
7 employment and community well-being throughout
8 the United States;”.

9 **SEC. 5. RAILROAD LOAN GUARANTEES; MAXIMUM RATE OF**
10 **INTEREST.**

11 Section 511(f) of the Railroad Revitalization and
12 Regulatory Reform Act of 1976 (45 U.S.C. 831(f)) is
13 amended by striking “shall not exceed an annual percent-
14 age rate which the Secretary determines to be reasonable,
15 taking into consideration the prevailing interest rates for
16 similar obligations in the private market.” and inserting
17 in lieu thereof “shall not exceed the annual percentage
18 rate charged equivalent to the cost of money to Govern-
19 ment.”.

20 **SEC. 6. RAILROAD LOAN GUARANTEES; MINIMUM REPAY-**
21 **MENT PERIOD AND PREPAYMENT PEN-**
22 **ALTIES.**

23 Section 511(g)(2) of the Railroad Revitalization and
24 Regulatory Reform Act of 1976 (45 U.S.C. 831(g)(2)) is
25 amended to read as follows:

1 “(2) payment of the obligation is required by its
2 terms to be made not less than 15 years nor more
3 than 25 years from the date of its execution, with
4 no penalty imposed for prepayment after 5 years;”.

5 **SEC. 7. RAILROAD LOANS GUARANTEES; DETERMINATION**
6 **OF REPAYABILITY.**

7 Section 511(g)(5) of the Railroad Revitalization and
8 Regulatory Reform Act of 1976 (45 U.S.C. 831(g)(5)) is
9 amended to read as follows:

10 “(5) either the loan can reasonably be repaid by
11 the applicant or the loan is collateralized at no more
12 than the current value of assets being financed
13 under this section to provide protection to the
14 United States;”.

15 **SEC. 8. RAILROAD LOANS GUARANTEES; RIGHTS OF SEC-**
16 **RETARY.**

17 Section 511(i) of the Railroad Revitalization and
18 Regulatory Reform Act of 1976 (45 U.S.C. 831(i)) is
19 amended by adding at the end the following:

20 “(4) The Secretary shall not require, as a con-
21 dition for guarantee of an obligation, that all pre-
22 existing secured obligations of an obligor be subordi-
23 nated to the rights of the Secretary in the event of
24 a default.”.

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